

**MINUTES**  
**REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY**  
**Tuesday, September 10, 2013**  
**City Hall, Room 604**  
**1:30 p.m.**

**MEMBERS PRESENT:** Gary Delveaux, Vice-Chair; Jim Blumreich, Joe Moore, Melanie Parma, Matt Schueller, Tom Weber

**MEMBERS EXCUSED:** Harry Maier

**LIAISON REPRESENTATIVES PRESENT:** Jeff Mirkes

**LIAISON REPRESENTATIVES EXCUSED:** Christopher Naumann

**OTHERS PRESENT:** Rob Strong, Cheryl Renier-Wigg, Andy Rosendahl, Krista Baeten, Tony Wachewicz, Mayor Schmitt, Dawn Foeller, Ald. Dave Boyce, Greg Flisram

**APPROVAL OF AGENDA:**

Approval of the agenda for the September 10, 2013, meeting of the Redevelopment Authority.

A motion was made by J. Blumreich and seconded by M. Parma to approve the agenda for the September 10, 2013, meeting of the Redevelopment Authority. Motion carried.

**APPROVAL OF MINUTES:**

Approval of the minutes from the August 13, 2013, regular meeting of the Redevelopment Authority.

A motion was made by T. Weber and seconded by M. Schueller to approve the minutes from the August 13, 2013, regular meeting of the Redevelopment Authority. Motion carried.

**COMMUNICATIONS:**

None.

**OLD BUSINESS:**

None.

**NEW BUSINESS:**

1. Review and approval of Naming Rights Agreement for the KI Convention Center.

R. Strong indicated that Dick Resch at KI was asked if he would be interested in extending his naming rights beyond the remaining years in the existing Naming Rights Agreement. The budget for the convention center expansion included \$1.5 - \$2.5 million for naming rights. Mr. Resch pledged \$2 million to the project for the naming rights. The \$2 million is broken into two pieces. One piece is the furnishings (tables, chairs, podiums, etc.) that are produced by KI, which is estimated at approximately \$900,000 and the balance would be made up with annual payments of \$100,000 each for the next 11 years. There is flexibility in the agreement that if the furnishings come in at less than \$900,000 another payment would be added at the end. The agreement includes the ability to come back in 20 years to ask for an extension. There is about 5 years remaining on the current agreement and the extension is for an additional 20 years.

T. Weber questioned if staff shopped around for others interested in the naming rights and questioned if this was a good deal for the City. R. Strong stated that what was received for the last expansion was looked at and a goal of between \$1.5 and \$2.5 million was set. The original request was for \$2.5 million and a settlement of \$2 million was reached. Because of the structure of the facility it seemed to make sense to work with KI on extending the naming rights rather than naming part of the facility a different name.

Mayor Schmitt indicated that he felt the deal was fair.

T. Weber provided some information on naming rights costs for other arenas around the country. Discussion followed on the original Naming Rights Agreement.

J. Moore noted that with the original convention center building, there wasn't an opportunity for any additional naming rights. With the expansion, there is the possibility of naming rights for other things, such as the plaza and breakout room space within the facility.

R. Strong stated that he is comfortable that the agreement with KI is a good deal for the City considering the circumstances of the project and that it is an expansion of a facility that is already named.

A motion was made by J. Moore and seconded by M. Schueller to approve the Naming Rights Agreement for the KI Convention Center. Motion carried.

2. Request to transfer Tundra Lodge Property at 865 Lombardi Ave. contingent upon security arrangement for City's debt service.

T. Wachewicz explained that the RDA owned the property where the Tundra Lodge now sits. In 2002, a developer came in and as part of the development, the RDA issued bonds and then leased the bonds to the City. The City then leased to the developer. Bays Tundra Hospitality then came in 2007 and assumed the original deal. More recently, there was a refinancing that occurred of the City debt. The refinancing included GO debt. Mr. Bays is refinancing a package on his hotels and his lenders have raised some issues that due to the refinancing, there is question as far as ownership interest to the property. The lease that originally existed was based on the lease-revenue bonds. The request is to convey the property to Bays Tundra Hospitality in exchange for a personal guarantee from Mr. Bays to secure the remaining debt service that is in existence through 2016. There is about \$1.2 million left on debt service in the next couple years. The taxes are currently paying more than the debt service that exists, but the personal guarantee would back that up. The Authority is being asked to convey the property contingent upon entering into the proper agreements and executing those agreements so the closing can occur for Mr. Bays and secure our remaining debt service.

D. Foeller stated that the personal financial information has been reviewed. They are covering their debt service and their personal property tax continues to rise. Occupancy reports have also been reviewed and they are doing very well. She is comfortable with our ability to collect.

A motion was made by J. Blumreich and seconded by M. Schueller to approve the request and grant authority to draft and execute necessary agreements subject to City Attorney's office approval. Motion carried.

#### **BILLS:**

3. Request for approval of final payment to Sommers Construction, Inc., in the amount of \$12,260.11 for contract "CD 12-02 Part A: Sidewalk and Pavement Repair."

A motion was made by T. Weber and seconded by J. Blumreich to approve the final payment to Sommers Construction, Inc. Motion carried.

4. Acceptance of financial report and check register as provided.

A motion was made by J. Blumreich and seconded by M. Schueller to approve the financial report and check register as provided. Motion carried.

**INFORMATIONAL:**

5. Director's Report.

R. Strong provided the following updates:

- The 2013 CDBG and HOME funds have still not been received. Typically funds are received by June or July. Projects are ready to go but can't be implemented until the money is received.
- The Packers Heritage Trail Monument on the corner of Washington and Cherry Streets is moving along. A grand unveiling will occur on Saturday, September 14 at 11:30 a.m. Everyone is invited to Lambeau Field for the Guinness Book of World Records Zumba event at 2:00 p.m.
- The contract for refacing of the parking ramp structures was awarded at the last meeting, subject to finding the financing. The financing used will be monies bonded for the future street extension between Schreiber and the Bayland Bank building. That work will not be done this year so that money will be used and money for the street extension will be bonded again next year. The other piece of funding, if needed, will be borrowed from the KI maintenance fund and replenished with bonding next year.

6. Project Updates.

- Schauer & Schumacher Project – Developer is putting together financing. Due to issues with the title, there is an adverse possession claim regarding the alley.
- T. Wall Project - Agreement says they have to be in the ground this year. Through the Phase I environmental process some materials were identified that will need to be removed and processed off site. There is a \$400,000 site assessment grant through the EPA for Phase II assessment. Staff is working with WEDC for grants to cover the costs. The City is responsible for the first \$250,000 of environmental remediation provided the City could procure funding through outside sources. Developer is still shopping for financing.
- Northland Hotel – Recognition as a historic building has been obtained by the State of Wisconsin. The next step is to get listed on the National Register. The tax credits will not be held up as long as the property is deemed eligible to be listed on the State Register.
- Smet Development on Broadway – A term sheet is being worked on. A special RDA meeting might be necessary.
- Dermond Project – A series of meetings have occurred to fine tune their pro forma. They have a number of banks interested in financing the project. The banks want to finance the whole value of the project because they aren't sure about the rent structure. Staff is continuing to work with them.

A motion was made by M. Parma and seconded by M. Schueller to adjourn. Motion carried. Meeting adjourned at 2:25 p.m.